

UNITED STATES DEPARTMENT OF COMMERCE International Trade Administration

Washington, DC 20230

ASSISTANT SECRETARY FOR MARKET ACCESS AND COMPLIANCE

Statement From Assistant Secretary for Market Access and Compliance David Bohigian Regarding EU Approving Further Delay of Wood Packaging Rule

"The U.S. Government (USG) is pleased with the European Union's (EU) decision on February 7, 2006 decision to delay, until January 1, 2009, a new wood packaging rule that U.S. industry claimed could affect nearly half of U.S. exports to the EU. This "debarking" rule, which would require that all wood packaging materials (WPM) be manufactured from debarked wood before entering the EU, would have gone into effect on March 1, 2006.

In its announcement, the EU recognized the importance of working through the international standards process by submitting its scientific justification for debarking to the appropriate international institution. Review of the EU's request is currently underway, and the European Commission (EC) is expected to conduct a progress review by September 2007.

The United States and the European Union share the most dynamic and integrated economic relationship, but unfortunately it is our commercial disputes that capture the majority of media headlines. Conversely, this issue presents an excellent example of the United States and the EU working closely together to avoid a potential dispute and to promote the free flow of international trade. Indeed the United States and EU have set an important precedent by confirming their commitment to the multilateral process for governing the movement of wood packaging materials.

The National Wood Pallet and Container Association (NWPCA), the American Forest and Paper Association (AF&PA), and the American Lumber Standard Committee (ALSC) praised the recent EU decision and thanked the USG for working with their EU counterparts to come to a mutually agreeable way forward. Together, the USG, industry, and relevant third countries will continue to strive for the effective implementation of a science-based uniform international standard that will not unnecessarily disrupt large volumes of international trade."

